RESUME OF SERVICE CAREER

of

LUKE WILLIAM FINLAY, Brigadier General

DATE AND PLACE OF BIRTH: 3 January 1907, Memphis, Tennessee

YEARS OF COMMISSIONED SERVICE: Over 20 years

DATE OF USAR RETIREMENT: 1 Feb 1967

EDUCATIONAL DEGREES

United States Military Academy - BS Degree - Military Science
Yale Law School - JD Degree - Law

CHRONOLOGICAL RECORD OF DUTY ASSIGNMENTS

FROM	TO	ASSIGNMENTS
Jun 28	Sep 29	Student, Memphis Engineer District
Oct 29	Jun 31	Bn Staff Off, Nicaragua
Jun 31	Apr 42	Member, ORC Control Group
Apr 42	Jun 42	Exec Asst to Chief of Trans, HQ DA
Jul 42	Jul 43	Chief Control Div, OCOT
Jul 43	Jul 46	XO, OCOT, HQ DA
May 48	Jul 48	Chief, Ops Br, Rail Trans Svc Div, OCOT, HQ DA
Sep 49	Jun 50	XO, Civ Comp Policy Bd, OSECDEF
Feb 52	May 52	Chief, Gen Purchasing Div, Log Div, HQ DA
May 52	May 58	Member, USAR Control Group

PROMOTIONS	DATES OF APPOINTMENT
2LT	9 Jun 28 (RA)

2LT	21 Aug 31 (USAR)
lLT	14 Jan 37
CPT	21 Mar 42
MAJ	21 Sep 42
LTC	22 Mar 43
COL	27 Mar 44
BG	3 Feb 50

US DECORATIONS AND BADGES

Distinguished Service Medal
Army Commendation Medal
Distinguished Civilian Service Medal

SOURCE OF COMMISSION USMA (Class of 1928)

INTERVIEW ABSTRACT

Interview with **Brigadier General (Ret) Luke W. Finlay**

Brigadier General (Ret) Luke W. Finlay was interviewed by CPT Wayne C. Jackson on 6 Sept 1985 in Annapolis, Maryland. BG Finlay received his commission upon graduation from West Point in 1928.

The interview covers the early career of BG Finlay, his early association with the Corps of Engineers, his transfer to the newly formed Transportation Corps in 1942, his account of the workings of the Army General Staff in 1942, his association with MG Charles P. Gross, the Chief of Transportation, and a description of their early service together in Nicaragua. BG Finlay had a break in service from 1933 to 1942 when he became a practicing attorney and later a counsel for the Standard Oil Company of New Jersey. After World War II, he returned to Standard Oil and returned to government service many times in various capacities. His interesting military - civilian background covered many years and a global war. He describes early procedures about the Transportation Corps rail transport and shipping responsibilities in America and in dealing with the British. He describes training and supply problems of a newly created Transportation Corps and early educational schools in New Orleans and Fort Slocum, New York.

BG Finlay describes how centralized control was maintained in shipping units through the ports by having the port commander (by order of General Marshall) in command

regardless of the ranks of the unit commanders being shipped through the ports. BG Finlay's experience as a West Point graduate, an engineer officer, a corporate oil company attorney and a transportation officer provided him a vast background of experiences to be used during his transportation services in the massive buildup of mobilization during World War II. He stresses the use of civilian experienced personnel when mobilization dictates in lieu of inexperienced personnel already in service for the critical jobs requiring highly technical backgrounds.

BG Finlay concludes with an account of his experiences with government takeovers during strikes and the planning that was required in the Office of the Chief of Transportation during 1943.

INTERVIEW

This is the Army Transportation Oral History interview conducted with BG (Ret) Luke W. Finlay, AUS, on 6 September 1985 by CPT Wayne C. Jackson at BG Finlay's home in Annapolis, Maryland. BG Finlay graduated from the U.S. Military Academy at West Point in 1928 and was commissioned a second lieutenant in the Corps of Engineers. He served his first tour in the Memphis Engineer District and later in Nicaragua. He resigned his commission thereafter to enter Yale-Law School, class of 1933. Upon completion of his studies at Yale, BG Finlay practiced law in New York City for an interim period before becoming counsel for the Standard Oil Company of New Jersey in 1938. In 1942, he returned to active duty as a captain and was assigned as an assistant to the Chief of Transportation in Washington, DC. From 1943 (one year after the creation of the Transportation Corps) to 1946, BG Finlay served as the Executive Officer of the Transportation Corps, attaining the rank of full colonel during that period. He went on inactive duty in March 1946 and returned once more to Standard Oil. Two years later, BG Finlay was recalled to active duty for seven weeks to assist the Army in the emergency takeover of the railroads to prevent a national railroad strike. He was again recalled in September 1949 to serve as Executive Officer of the Civilian Components Policy Board of the Department of Defense and was promoted to brigadier general on February 3, 1950. In June of 1950, BG Finlay returned to Standard Oil but was recalled to active duty in February 1952. Assigned to the European Command Headquarters in Heidelburg, Germany, he served as Chief of the General Purchasing Division of that command. BG Finlay was relieved from military active duty in May 1952 to assume the post of Defense Deputy of the U.S. Delegation to North Atlantic Treaty Organization (NATO), a position he held until August 1953. BG Finlay then spent the rest of his military career on inactive reserve status until his retirement on February 1, 1967.

CPT Jackson: Sir, looking at your civilian and military careers, it is interesting to note the number of times you returned to the civilian sector after being recalled to active duty status. It is also interesting to note your switch from the Corps of Engineers to the Transportation Corps after your first return to active duty. Can you please explain why the branch switch occurred, and why you switched-from military to civilian sectors with such regularity?

BG Finlay: To answer your first question, my shift from the Corps of Engineers to the Transportation Corps was very simple. My commanding officer on the Special Battalion for the Nicaraguan Canal Survey, then MAJ Charles P. Gross, was made Chief of Transportation of the Army in the reorganization of the War Department that took place on March 13, 1942. He had me ordered to active duty with him. As to your second question, I could have had a considerably greater number of switches had I not had to make up my mind whether I wanted to be a career civilian or a career military officer. I turned down a request to go on active duty to be the liaison between the War Department and the Atomic Energy Commission--a request made by one of the officers in the nuclear field of the military who had served with me in Nicaragua. I also turned down a request from the Secretary of the Army, Gordon Gray, to become his Assistant Secretary of the Army, Procurement. Actually, most of the assignments I took came from people who had known my work in World War II and thought I would be a highly competent person for the particular assignment. For example, the first chairman of the Civilian Components Policy Board was William T. Faricy, the president of the Association of American Railroads. When he was setting up the board, he got all kinds of recommendations from railroad people who had known me during World War II saying that I was the man to pick as his Executive Officer. The Chief of Transportation in Italy during World War II, MG George C. Stewart, recommended me to LTG Thomas B. Larkin, then Chief of Logistics for the Army, for the assignment in Europe to help them rebuild the NATO armament industries through massive expenditures of military assistance funds.

CPT Jackson: Sir, you mentioned that MG Gross effected your recall to active duty. Did he or any other military figure become a mentor who played a key role in your involvement with the Chief of Transportation and the Transportation Corps, and if so, how?

BG Finlay: When I served under MAJ Gross in Nicaragua, I was his Hydrographic Officer and he got to know me then. When he was made Chief of Transportation on March 13, 1942, he immediately had me ordered to duty; first, as his Executive Assistant, then as Chief of the Control Division, then as his Executive Officer in July 1943. I held the Executive Officer job for the balance of the war. The month before I was appointed Executive Officer, the Deputy Chief of Transportation resigned for health reasons and was never replaced. As a result, I was the only officer in the Transportation Corps, other than MG Gross himself, who could issue an order binding the entire 200,000 military and civilian personnel under his command. There were about as many more serving under his technical supervision overseas as well.

CPT Jackson: Sir, were there any other key figures who were also transferred from the Corps of Engineers to the Transportation Corps, and if so, why?

BG Finlay: The engineer officers who are graduates of West Point are ordinarily in the upper 10 percent of the class. MG Gross was an engineer and had some extremely competent engineers serving with him. He automatically acquired a number of them (including MG Paul F. Yount and GEN Frank S. Besson, Jr. who succeeded him in later

years as Chiefs of Transportation) as a result of the transfer of the military railway service from the Corps of Engineers to the Transportation Corps during the course of the summer and fall of 1942. In addition, MG Gross actively sought as many engineers as he could get his hands on for key -roles in the Transportation Corps. Two of the key men in the planning division, COL Rush B. Lincoln (who later became a major general) and COL Edward G. Plank, also were engineers. COL Charles E. Martin, who had both military and civilian personnel under his command as Chief of the Directorate of Personnel, was a former engineer from the class of 1926 at West Point. There were others. One of his Zone Transportation Officers, CUL Wallace H. Hastings, had been the head of the class of 1924 at West Point. If I went through a list of key people in the Transportation Corps, I'm sure I could name other engineers whom he had assigned to the Transportation Corps, in addition to others who automatically came from the Corps of Engineers. One, COL William W. Wanamaker, became Chief of Transportation in the Southwest Pacific Area after the transfer of an earlier chief to other responsibilities.

CPT Jackson: Sir, what were the original objectives of the Transportation Corps when it was given the status of a corps in July 1942?

BG Finlay: MG Gross's basic objective was to consolidate all transportation responsibilities of the War Department under the Transportation Corps. This objective was only partially attained before the war's end. When the Transportation Corps was first established on July 31, 1942, we transferred the tactical units, port headquarters and headquarters companies, port battalions, railhead companies, and aviation boat companies from the Quartermaster Corps to the Transportation Corps. The next move, which was completed by November 1942, was the transfer of the military railway service. This move only consisted of the operating functions. The construction and maintenance of military railways was left with the Corps of Engineers as part of their overall construction responsibilities. Overseas,, the theater chiefs of transportation were assigned the operational responsibility for the quartermaster truck companies, but MG Gross never had any responsibility for them in the Zone of the Interior. I think that transfer was accomplished after the war, but I was not in touch with the events so I can't be sure of exactly what happened or when it happened. He only had limited input into the construction of the truck company vehicles. That was a joint function of the Quartermaster Corps and the Ordnance Department, which effected the actual procurement. We did quite a bit of work on amphibious vehicles and I think MG Gross had a more active hand in that than in any other automotive equipment.

CPT Jackson: Sir, how was the organizational framework for supervisory control established within the Office of the Chief of Transportation, and can you please explain the evolution of this responsibility?

BG Finlay: When the Office of the Chief of Transportation was first set up in March 1942, it was a combination of the transportation section of the G-4, the War Department General Staff (which MG Gross had headed as a lieutenant colonel and colonel) and the Transportation Division in the Office of the Quartermaster General. The parties involved came together in a hurried manner and the organization slowly evolved to the

chart of July 1, 1945, which is shown in Volume I of the History of the Transportation Corps in WW 11. The basic concept was to have the heads of all principal organizations involved, including major field installations, reporting directly to the Chief of Transportation. For example, the Director of Operations had a significant amount of coordinating responsibility over operating activities of the Transportation Corps, but he did not have direct command either of the operating divisions in the Office of the Chief of Transportation or the commanders of the field installations. During my term as Executive Officer (and before that as head of the Control Division, which did some of the organizational planning), I always felt it was much better to have the senior officers reporting directly to the Chief of Transportation. For example, the head of the Water Division was a senior executive of the United States Lines. The head of the Rail Division was a senior executive of Pennsylvania Railroad. The head of the Highway Division was a General Motors executive. The head of the Transit Storage Division was a senior official of warehousing in the New York port area. The head of the Traffic Control Division was the traffic manager of Sears Roebuck, which had one of the biggest traffic operations in the civilian sector of the economy. Initially, Materiel and Supply was left under the direction of the Executive Officer. In the early days, that was a fairly insignificant function. However, as the major procurement of small craft and railway equipment expanded the responsibilities of the Transportation Corps, Materiel and Supply became a major function and both the headquarters staff and the field installations on procurement and supply were put under a Director of Materiel and Supply.

CPT Jackson: Given the fact that during World War II several of the key roles within the Office of the Chief of Transportation were played by individuals from civilian industry, do you think that the Transportation Corps would be wise to again solicit expertise from the civilian sector in future wartime environments?

BG Finlay: I am satisfied that that is the case. When you have a major expansion in the transportation activities of the War Department or the Department of the Army, it is imperative that you have people with the competence to handle it. In a world war emergency, you have such a massive demand for personnel that there is no shortage of outlets for the competent people in the regular service. As a result, the Corps does not stifle opportunities for the competent people in the regular service and acquires the expertise needed to handle major problems. It worked extremely well in the Transportation Corps, and I'm satisfied it would again in another emergency.

CPT Jackson: Sir, it has been said that, while MG Gross was the Chief of Transportation, he wanted maximum feasible relief from the administrative details and delegated this authority to you because of the mutual understanding that existed between the two of you. What was your connection to MG Gross prior to becoming his executive, and did this enhance your wartime collaboration with the Chief of Transportation?

BG Finlay: As I told you previously, I served under MG Gross in Nicaragua. From that assignment, he knew that I was a person of ability. After I became his Executive Officer,

events evolved in such a way that no replacement was found for the Deputy Chief of Transportation and MG Gross felt he could rely on my judgement for those matters that I did not think required his personal attention. We worked that way throughout the war. I might explain that transportation played a key role in the entire global strategy. For the coordination of transportation within the military establishment, you had the Joint Military Transportation Committee. For coordination with our allies and interconnecting British and other shipping requirements with our own, you had the Combined Military Transportation Committee. MG Gross spent a great amount of his time working closely with the Chief of his Planning Division on the problems of these two committees. The result was that, as long as he was satisfied with my ability to relieve him of the day-to-day coordination problems arising among the different divisions, he could concentrate his efforts in the areas he thought most important.

CPT Jackson: Sir, the Chief of Transportation was responsible in the Zone of the Interior for the direction, supervision, and coordination of all transportation by common carrier for the War Department. Can you comment on this and state how it affected the Transportation Corps' mission outside the Zone of the Interior?

BG Finlay: The relationship between the Chief of Transportation and the transportation activities in the various theaters of operation was identical to that of the other technical service chiefs. The basic concept of War Department organization was that the theater commander had total control of everything within his theater. The technical service chiefs, therefore, were merely responsible for technical supervision in connection with their particular function in the theater. If things were not going properly, it was a matter of coordination between the technical service chiefs and the commanding generals of the respective theaters on what needed to be done to correct matters. MG Gross took trips to various theaters of operation in support of that connection and, in the summer of 1944, he sent me out on an extensive inspection trip with the Deputy Control Officer of the Southwest Pacific Area to review some of the problems encountered and to see what could be done to more efficiently utilize shipping. I might add that sometime in 1943, GEN Brehon B. Somervell was on a trip to some part of the world that required his going down through Recife, Brazil, on his way to Africa, and then to the Middle East. During that trip, he found serious congestion of shipping that I believe was waiting movement across the Atlantic at Trinidad. As a result, he sent a cable back to MG Gross stressing the necessity of having a better control of shipping worldwide. I was given that job in my capacity as Chief of the Control Division and prepared the necessary directives. I prepared a directive for GEN George C. Marshall's signature that I got clearance from G-4 of the War Department General Staff. This directive went to the theater commanders and required that a cable or radio communication be sent to our office reporting the date of each ship's arrival in a foreign port, commencement of unloading, completion of unloading, and departure. From these reports, the responsible people in our Water Division could study the efficient utilization of ships and recommend whatever steps were necessary to clear ships for movement overseas and to prevent congestion. I also introduced another report that was in the technical field and did not require approval of the General Staff to go out over GEN Marshall's signature as Chief of Staff. This monthly report concerned the efficiency of the stevedore companies that

unloaded the ships in the various foreign ports. It was somewhat sarcastically called the Furlined Cuspidor Contest by some people, but it actually resulted in developing a competitive spirit and an increased output of the stevedore companies around the world. It was a source of serious embarrassment to senior commanders if they didn't compare well with other theaters in these reports. To add a rather humorous note ... when the cable requiring them to make reports on ship movements went out to all the theater commanders, I soon got an indignant call from somebody in the Operations Division of the General Staff wanting to know what I was doing sending out a cable on such a matter to theater commanders over GEN Marshall's signature. My answer was a. very simple one. I said, "This was a logistics matter and I had the concurrence from the G-4 Division of the War Department General Staff." (This division was responsible for logistics at the general staff level.) That was the end of the conversation and the requirement remained in effect throughout the balance of the war.

CPT Jackson: Can you tell us something about the transfer of rail and ship responsibility to the Transportation Corps?

BG Finlay: The responsibility for ships owned and bare-boat chartered by the Army was transferred to the Chief of Transportation when the Transportation Service was first established on March 13, 1942. As I may have mentioned earlier, MG Gross felt it was in the long-range interest of the War Department to keep all transportation functions under the control of the Chief of Transportation. One of the movements in that direction was to transfer the Military Railway Service from the Corps of Engineers. He assigned me the responsibility for working out this transfer when I was serving as his Executive Assistant. The deliberations went on over a period of time because we had to make decisions on such matters as whether the construction of the Military Railway Service and its maintenance should remain with the Corps of Engineers or come to us. The final decision was that the operation of the railroads and the tactical units responsible for operations should be transferred to the Chief of Transportation, but that the construction and maintenance of the railroads was basically part of the overall construction responsibilities of the Corps of Engineers and should remain with them. I might add that the Chief of Transportation's command responsibilities on ships pertained only to those owned and bare-boat chartered by the War Department. The basic merchant marine shipping of the United States was under the control of the War Shipping Administration and they would allocate these ships to us for the particular voyage for which we needed them. For example, War Shipping Administration ships ordinarily would be assigned to us effective at their arrival at the port where they were to be loaded, and would remain under our allocation rights until their discharge was completed at the destination. At that point, they would revert to the War Shipping Administration for such subsequent use as it determined.

CPT Jackson: Sir, is there anything else that you want to add about the Transportation Corp's shipping responsibility?

BG Finlay: I might add one interesting development that occurred during the war. In England, the British Ministry of War Transport was responsible for the loading of all

vessels carrying military, civilian and any other kind of cargo. Admiral Land's Deputy Administrator of the War Shipping Administration, Lewis Douglas, decided that he would like to see the War Shipping Administration have the same broad responsibilities as the British Ministry of War Transport. (This would entail our transferring a large portion of the responsibilities in the Army and Navy ports of embarkation to the War Shipping Administration.) He had a close, personal relationship with President Roosevelt and discussed this desire with him without coordinating with anybody. To the utter amazement of everybody in the Amy and Navy, President Roosevelt wrote and signed a memorandum expressing his desire to have the transfer effected. MG Gross was given the job of drafting a reply from the Joint Chiefs of Staff to the President, and he had the ability to pack more impact into a few words then anybody I ever knew. As I recall, he wrote a short memorandum for the Chairman of the Joint Chiefs of Staff which had such a devastating tone that they decided it had to be toned down. During successive attempts to soften this initial memorandum, Lewis Douglas discovered that he had raised a hornet's nest in the Pentagon and more or less backed off. I think the final result was that no answer was ever sent and no action was ever taken to implement the President's memorandum. Things remained as they were and continued that way for the balance of the war.

CPT Jackson: Sir, can you briefly outline the basic machinery and/or procedures employed by the Army Chief of Transportation in moving troops and material within the United States and to overseas theaters of operation?

BG Finlay: One critical concern connected with rail transportation in the U.S. was avoiding the tremendous congestion that occurred in World War 1. Some 200,000 railcars blocked all the rail lines on the east coast of the U.S. because of failure to coordinate car movement with the port's capacity to transfer the freight to ships bound for Europe. Even before the Transportation Service was set up, the Office of the Quartermaster General had worked out arrangements with the Office of Defense, Transportation under which the control of port-bound movement normally vested in the administrator of the Office of Defense Transportation would be delegated to the Transportation Division of the office of the Quartermaster General. Finally, it passed through that office to the Transportation Corps. No freight car loaded with cargo headed for the ports of embarkation could move without clearance of the Traffic Control Division of the Office of the Chief of Transportation. An official of the Association of American Railways, a man named Buford (Charles H.), worked very closely with the Traffic Control Division on the movement of both freight and passenger cars. Passenger cars were soon in short supply because of the massive deployments of the military. We were required to use coaches, including those dating back 50 or 60 years, but we used Pullman cars on longer movements where comfort was a more critical factor. The Army instituted a policy early in the war which stated two soldiers would sleep in every lower berth and one would sleep in each upper berth. The Navy flatly rejected the concept of putting two sailors in the same berth and that resulted in a Navy demand for cars which, compared to their numbers, was far in excess of what was warranted under the Army's policy. Finally, the Director of War Mobilization (Judge James F. Byrnes, I believe) directed the Navy to go to the Army policy and put two sailors in a lower berth and one

in an upper berth. Even so, the shortage was extremely critical and never could be corrected. As far as ocean movement is concerned, one of the matters that was of personal concern to MG Gross was the constant effort to increase the troop-carrying capacity of vessels. By putting pressure on the British, he finally got the troop-carrying capacity of the Queen Elizabeth up to about 15,000 troops per voyage (as I recall). The initial capacity was only a fraction of that amount. We also had problems with the Navy because their construction was guided more by warship standards than by troop- and cargo-carrying standards. The net result was that transports under the Army control carried a much higher number of military personnel or tonnage of cargo than would a Navy ship.

CPT Jackson: Sir, how was the movement of petroleum products handled and what role, if any, did you play in directing this?

BG Finlay: The question of Transportation Corps interest in petroleum is spelled out on page 72 of Volume I of the History of Transportation Corps in World War II. We really had a very limited role in handling petroleum products as the greater interest was in the hands of the Army/Navy Petroleum Board. A small coordinating office in the Office of the Chief of Transportation was shut down and the personnel were transferred to the Petroleum Branch of the Office of the Quartermaster General in May 1943. Overseas theater transportation officers had a greater responsibility than we did, but frankly, I'm not intimately familiar with exactly how the total responsibilities for the military petroleum pipelines were divided between the theater transportation officers and others in the theater.

CPT Jackson: Sir, what problems did the Chief of Transportation encounter in training troops and providing equipment and supplies needed to maintain effective transportation services to the overseas commands?

BG Finlay: I would say his problems in this regard were identical to those of the other technical service chiefs and were compounded by the fact that his was a new technical service and the organization had to be built from the ground up. Training installations were set up. I remember one was located at the Transportation School at Fort Slocum, New York, and another Transportation School was set up at the New -Orleans Port of Embarkation. Some training activities for stevedore companies were elsewhere in the New York port of embarkation area and, doubtless, in some of the other ports of embarkation. We also had training for what they called mobile ports of embarkation headquarters and headquarters companies that were organized and prepared for transfer overseas to handle the ports of embarkation there. As far as supply was concerned, we went through massive growing pains as our responsibility for the procurement of floating and rail equipment for the Army expanded with overseas demands. GEN Somervell asked the Chief of Ordnance, LTG Levin H. Campbell, Jr., to give us a competent procurement officer to come in and head up the Procurement and Supply Directorate of the Office of the Chief of Transportation. I recommended that we obtain Sydney W. Gould (a friend of mine from civilian life and an engineering graduate of West Point) to come in and take one of the key slots in our procurement and supply

service. He was the Chief of the Albany Engineer Depot at the time, and he did an excellent job for us in the work that was assigned to him. We also obtained BG Ephraim F. Jeffe from the War Production Board, who had been a vice president of the Consolidated Edison Company of New York, Inc. He served as Deputy Director of Procurement for some time.

CPT Jackson: It has been said that MG Gross had two broad objectives in assuming the position of Chief of Transportation. The first was to establish a service that would include as many of the transportation functions of the War Department as circumstances would permit. The second was-to maintain unbroken control of troops and supply movements from the various points of origin within the Zone of the Interior to their destinations at overseas ports of debarkation. Do you agree that these were, in fact, MG Gross's two primary objectives and, if so, to what degree were they accomplished?

BG Finlay: First, I'll comment on your two objectives. Secondly, I'll add what I think is, at the very least, an equally important third objective. On the matter of coordinating every feasible aspect of his responsibilities in the transportation field, MG Gross felt that having total responsibility resting in a single organization led to maximum efficiency. Some elements, such as the tactical truck units, were so well established that there was considerable reluctance to transfer them to the Transportation Corps. While the operational responsibility went to the theater chiefs of transportation, there was no transfer within the Zone of the Interior. As far as having total control of troop and supply movements from the initiation of transportation within the U.S. until arrival at overseas destinations, you correctly summarized his interest in that area. I might add that totality of control meant that you couldn't have a divided command on reception and processing of units for overseas movement. Each port of embarkation commander had a letter from GEN Marshall in his desk drawer stating that, regardless of the seniority of the commander of the unit, troop units arriving at the staging areas for processing to overseas areas passed under the command of the port commander until they embarked on the ship. Any time a three- or four-star general (or even a one- or two-star general) would come in and tell MG Homer M. Groninger, who was the commanding general in New York, what he wanted done while his units were in the port area; MG Groninger would pull this letter out of his drawer and pass it across the desk to his visitor. That was the end of the conversation. From then on, how MG Groninger and his staff felt that the units should be processed controlled. Even on the ships, we had a War Department General Order (regulation, I guess) for control of activities aboard transports. The captain was responsible for the navigation of the ship and the safety of the passengers. The transportation officer onboard had administrative responsibility for everybody on that transport and the unit commanders onboard had command of their units subject to the overriding responsibilities of the captain of the ship, the master, and the transportation officer. When the Air Service Command started having problems with high-ranking Air Force officers trying to boss the pilots around on their planes, they came over to see me to find out how we handled it in the Transportation Corps. I showed them this Army Regulation which they promptly adopted with the appropriate language changes for the airplanes in their service. MG Gross's third objective was to

maximize transportation capabilities. There was one simple reason for his office being above GEN Somervell's office and my office being above the office of GEN Somervell's Chief of Staff. Simply stated, the reason was that inadequate transportation capabilities can create critical bottlenecks in the conduct of war. It was critically important and MG Gross devoted a large amount of personal effort to maximizing transportation capabilities within the means available.

CPT Jackson: To what extent did your civilian background contribute to your mission accomplishment as either Executive Assistant to the Chief of Transportation or as his Executive Officer? Is there a connection between your civilian and military duties, and does it still exist today? Did this association help the initial objectives of the Transportation Corps, and can this sort of civilian and military coexistence help us in the future?

BG Finlay: What I brought to the Office of the Chief of Transportation was broad experience, initially as a young engineer officer, and then as a corporate lawyer. With my experience as a corporate lawyer, I immediately contributed one thing to the Office of the Chief of Transportation which helped them function more effectively. This contribution was the preparation of a policy book which resulted from digging out the exact authority of every government organization that had any responsibility for matters of concern to the Transportation Corps, both in the field of transportation and procurement. You had peacetime agencies such as the Interstate Commerce Commission, the U.S. Maritime Commission and the Munitions Board. Then, under the War Powers Act, you had emergency organizations such as the War Shipping Administration, the Office of Defense Transportation, the Petroleum Administration for War, the War Production Board, and so forth. I prepared a policy book indicating exactly what responsibility each of these agencies had in matters that were meaningful to the Transportation Corps. Then, within the War Department, I obtained the directives and statements of organizational responsibility that indicated the division of responsibilities within the War Department. In my experience, chief executives of important civilian companies have sometimes fallen flat on their faces in Washington because they were never able to bridge the gap between running a single company, where they have the confidence of their Board of Directors and can make decisions largely oh their own, and running an organization within the massive bureaucracy of the federal government. In the federal system, they not only have to make decisions but also have to be sure to handle them in a way that meets all the requirements of coordination. Knowledge of that requirement, and ability to work with it, is one of the contributions I brought to the office of the Chief of Transportation. In any mobilization situation, I think it's just as important today as it was in World War II to obtain individuals of the maximum degree of competence for the job to be done, whether they come from the permanent military establishment or from civilian life. When you have a massive mobilization, you don't have to worry about short-circuiting promotion opportunities for the regulars because there's such a heavy need for their services that they will find adequate outlets. The most critical consideration is getting the competence to do the job, and you don't do that by just accepting anybody. I might give you an example. When I became the Executive Officer of the Civilian Components Policy Board in September 1949, I told the chairman

that he would not get a competent board by accepting reserve and national guard officers who were sufficiently unemployed that they would be willing to accept full-time active duty. Instead, I told him to run the board on the basis of meetings held one or two days a month to review staff policy papers prepared by my staff with the help of the services. That way, he could get men with a high degree of competence who could not possibly leave their civilian responsibilities for full-time active duty over an extended period. We established a board on that basis and came out with a group of extremely competent and highly regarded people. I was very pleased with the results. I think the combination of the capabilities of career service people, the Office of the Chief of Transportation, and field installations with the capabilities of experts drawn from civilian life complemented each other and led to maximum results in World War II. I think the same tactics would apply in any future emergency. Being 78 years of age, I really *am* basically retired and can't say whether there's any relationship between my current civilian and military activities.

CPT Jackson: If the Transportation Corps were to turn to the civilian sector to accomplish its wartime rail, highway and vessel missions, to what specific agencies or corporations should the Transportation Corps turn?

BG Finlay: It should turn to the largest and ablest organizations in each specific field. I explained to you earlier how our five operating divisions were headed by senior executives of the corresponding activities in civilian life. Naturally, significant changes have occurred in transportation since 1945. For example, the entire container industry was unknown in World War II. The nearest we had to a container was very small and not remotely comparable to what exists today. Top experts in the container field would be needed to supervise any massive movement of cargo in the future. The problem is making sure people are staying up to date on the most effective means of transportation today, so they can look to the places where they should go. One thing that's critically important, and I don't think it's often observed, is the need to be sure that the reserve ranks contain people with the capabilities needed for key slots in time of war. I can give you an example from my own experience. In World War II, I volunteered to go on active duty three days after Pearl Harbor. I had clarified my relationships with my employers but had to straighten out a few personal matters before I felt free to volunteer for an instant call to active duty. (That's the reason it took three days instead of one.) It took from December 10 until April 1, 1942, before I was ordered to active duty because of the amazing fact that the Judge Advocate General of the Amy did not have confidence in his reserve component as a source for the officers he needed in the war emergency. Prior to Pearl Harbor, he had commissioned just about any lawyer on Capitol Hill who was an assistant to a senator or congressman and had asked for a reserve commission. When mobilization came, however, he realized he needed capabilities beyond the experience on Capitol Hill. The minute he started commissioning some Judge Advocate General Officers from civilian life, the patriotic individuals on Capitol Hill who wanted to be ordered to active duty got their congressmen and senators to put so much heat on GEN Marshall that he issued an order to the Judge Advocate General not to commission another officer from civilian life until all physically qualified reserves were called to active duty. When my offer to volunteer reached MG Gross, he only had two or

three officers under his command in the transportation section of G-4 and he sent my request over to the Judge Advocate General. Because I was a lawyer, it sat right on this roadblock until the services of supply were established in March 1942. MG Gross was then given a greatly expanded responsibility. At that time, he immediately got the machinery underway to get me commissioned to come down and serve as his Executive Assistant. As a result of this experience, I would caution anybody responsible for the reserve components to make sure they don't get themselves locked into an excessive number of reserves who wouldn't fit the bill in time of a national emergency.

CPT Jackson: What then can the Transportation Corps do to assist in preparing our national guard or reserve units for a wartime environment?

BG Finlay: This is a difficult problem because many individuals who, for one reason or another, are frustrated in their civilian careers can get a certain amount of compensation and recognition in reserve and national guard units. Some of these individuals have limited competence but elevate themselves through strenuous activity to positions of responsibility that are beyond their real capabilities. These units have many high quality officers, but the issue is generally a source of concern. I think it is imperative that the capabilities of reserve and national guard units be judged against the wartime requirements for mobilization assignments, and maximum effort be afforded to recruiting and retention. It is self-evident that training to ready people for emergency assignments rather than merely for peacetime roles is a necessity.

CPT Jackson: Sir, if you were the Chief of Transportation and MG Gross were your executive, would you have done things differently?

BG Finlay: I can't remember any important respect in which I disagreed with his decisions. I had tremendous respect for him. The fact that he commanded a combat engineer regiment four years out of West Point (in World War 1) is absolutely amazing. In my opinion, he would have been an outstanding Corps Army Commander in World War II had he been in a field assignment rather than in a technical service assignment. Only once can I recall him declining to go along with something I recommended, and that matter was so inconsequential I can't even remember today what it was. I think I can honestly say that there is no case where I disagreed in any significant respect with the way that he handled things. He had a natural ability to put a lot of meaning into concise words and devoted a considerable amount of time to preparing a statement about 10 lines in length. It was just packed with substance. He was a very forceful leader who demanded the respect of everybody who served under him, and he was fully entitled to it.

CPT Jackson: Before we finish our discussion, are there any other observations that you would like to add at this time?

BG Finlay: I do have one observation that might be of historic interest. I don't know how important it would be in future mobilizations (unless you can find a comparable figure), but I'd like to tell you how I got to know COL James H. Graham and the service he

rendered the Transportation Corps. The first time MG Gross was on an out-of-town trip (after I became Executive Officer), the senior Brigadier General in the Office of the Chief of Transportation sat in his office as Acting Chief of Transportation. From then on, he told me to occupy his office whenever he was away. I never knew exactly why, but I suspected the reason about 15 seconds after I occupied his office for the first time. The buzz box went off and GEN Somervell was on the phone asking a lot of questions. He apparently was pleased with the way I handled them because of my overall knowledge of the total operations of the Transportation Corps. (An Acting Chief of Transportation, who is responsible for only one small segment of the office, would not be able to field questions outside his own particular daily work.) While sitting in MG Gross's office during his absence, I became well acquainted with an individual with whom I had previously had only a passing acquaintance. That individual was COL James H. Graham--an elderly gentleman who was a retired dean of the Engineering School at the University of Kentucky ' and was a consultant on transportation to Undersecretary of War Patterson. When MG Gross was in town, COL Graham frequently would chat with him in his office. Whenever I was occupying the office, I found COL Graham chatting with me. Many of these talks were purely casual, but COL Graham occupied a position of considerable importance in transportation in America's World War I expeditionary forces. He had been retained as a consultant by Undersecretary Patterson for that reason. Without acting as a prosecuting attorney, he became convinced through these casual conversations that the Transportation Corps was being well run and was on top of the problems as well as any group could reasonably be. He was a bulwark of strength for us against meddlers. When he gave a good report to Undersecretary Patterson and General Somervell, that was infinitely more important than jealous accounts from people who wanted some of the functions of the Transportation Corps or were irritated for one reason or another over something we were doing.

I think there's an important lesson in this. When an important official is out of town, he would be much better advised to put someone in his office who knows the total picture and can answer questions (even though he didn't happen to be in command of the office) than trying to let his next in command handle problems when he's away. That's exactly what MG Gross did with me. In the field of substantive decisions, there's one very important thing that I might mention to you. We were advised on December 23, 1943, that we were to have a directive prepared by December 26 for the War Department assumption of control of all the country's railroad companies to prevent a railroad strike. The job was given to the Chief of Transportation and he assigned me, as his Chief of Staff, to pull the plan together. The assignments of responsibility for specific portions of the plan were parceled out. The critically important decision, which MG Gross himself made, was that we should leave the operation of the railroads in the hands of the people who knew how to run them. Therefore, the proposed Executive Order prescribed precisely that course. While the War Department assumed control of the railroads, and there were over 600 on the list when President Roosevelt issued the Executive Order, the people who knew how to run those railroads ran them until such time as the Secretary of War or his nominee (the Chief of Transportation) should prescribe otherwise. (This list was prepared by the Association of American Railroads for the large railroads, and by the Short Line Railroad Association for the smaller roads.)

That was the basis on which the plan was prepared. Though I was only a lieutenant colonel at the time (some of the people who were preparing portions of the plan were three-star generals) 'everybody had to come to me with their draft-plans so that I could ensure that they were a satisfactory part of a coordinated overall plan. Time was so critical that it was impossible for me to observe normal military courtesy and see my seniors. I worked all night long on Christmas Eve, went home to be with my wife and children for two hours on Christmas morning and got the last of the papers in the hands of the printers around I or 2 a.m. on the 26th. I submitted the plan for approval to Secretary Stimson (Henry L.) on the afternoon of the 26th. It was then sent to the President who issued the Executive Order on December 27. When we prepared this plan, litigation was still in the courts from the government takeover of the railroads in World War I. The unions were unwilling to strike against the government and, when the underlying labor disputes that had caused the seizure were settled, it was time to turn the railroads back to the companies. I suggested that we eliminate the possibility of long-lasting litigation by issuing an order (which we did). This order stated that any railroad which gave the U.S. a release of obligations for the period of seizure would receive a mutual release of obligations from the U.S. government. Any company that refused to do that was given a period of time, I think we specified 90 days, in which to submit a complete accounting of profit and loss during the period of government operation of the railroads. I told the seven railway presidents, who were put in uniform as regional directors during the period of the strike, that we were not going to release them from active duty until they started getting those releases rolling in. They started submitting the releases and I got a lieutenant colonel from the Judge Advocate General to review them. We got a release from every single railroad that had been seized, including releases approved by the courts for railroads that were in receivership of one kind or another, and they were put in locked file cabinets in the basement of the Pentagon. The lieutenant colonel who did such a good job on that review was assigned to the Transportation Corps as Chief of the Legal Division when the former chief retired, and he later became the governor of Indiana. His name was Roger Branigan. The critical point is that we got a lot of kudos for this because our plan was to leave the operations in the hands of the people who knew how to do them. That was General Gross's strategy in recruiting personnel for key positions in the Transportation Corps--get people who know how to do the job. Several seizures later, during the Truman administration, I was either called to active duty or went down as a dollar-a-year consultant (if I was unwilling to run the risk of excessively long active duty status) and helped them follow the same plan on subsequent seizures or, in one case, just the threat of seizure.

CPT Jackson: Sir, on behalf of the Transportation School, I would like to thank you for the considerable time, energy, and thought which you have given me today, and for the forthcoming product of this interview, which will likely provide many valuable lessons for members of the Transportation Corps in the years ahead.